## REMARKS

Applicant respectfully requests reconsideration of the instant application in view of the following remarks. Claims 1-26 are currently pending in the instant application. Claims 1 and 14 are independent.

## Oath/Declaration

Applicant acknowledges the Examiner's objection to the declaration.

Attorneys for the Applicant have prepared and forwarded a supplemental declaration to the Inventor that has not yet been returned. Attorneys have followed up with Applicant and the supplemental declaration will be filed once it is received by Applicant's attorneys.

## Rejections under 35 U.S.C. § 102(b)

Claims 1-26 have been rejected under 35 U.S.C. §102(b) as allegedly being anticipated by U.S. Patent No. 5,564,548 by Dobbins, et al. ("Dobbins").

Independent claims 1 recites, inter alia:

A method of accepting of money items, comprising: . . . developing for each of the money items under test, a transformed money item signal as a function of the value of the money item signal and at least one variable parameter that is a function of an acceptability criterion for the money item under test. . . .

The Examiner states that:

Said processor further makes a comparison of the values of the transformed money item signals within a window limit value, and causes said money acceptor to accept each money item based on said comparison (see column 11, line 66 through column 12, line 11). (See Office Action, pages 2-3).

More specifically, the Examiner alleges that Dobbins' ability to adjust the window is analogous to the current invention's claimed method of developing for each of the money items under test, a transformed money item signal as a function of the value of the money item signal and at least one variable parameter that is a function of an acceptability criterion for the money item under test. Applicant respectfully disagrees and submits that the method described in Dobbins and the method of the present invention are not analogous. As such, Applicant submits that Dobbins does not disclose each and every element recited in claim 1.

Applicant submits that Dobbins discloses shifting the window in response to a fraud attack using slugs. (See generally, Figures 4, 9). Dobbins uses a variable window configuration and involves no transformed money item signal as a function of the value of the money item signal and at least one variable parameter that is a function of an acceptability criterion for the money item under test as recited by independent claim 1. In contrast to the claim element, Dobbins compares the acceptance criteria values of the vectors V1, V2 and V3 and the corresponding acceptance range windows as shown in Figure 4 of Dobbins. The values of the vectors or acceptance criteria are compared with the acceptance range indicated by the windows which correspond to the three-dimensional spaces Ca, Cb, and Cc also shown in Figure 4. The windows are configured to exclude corresponding spaces Sa, Sb also in Figure 4 which relate to fraudulent slugs. In Dobbins, comparison is made between the values of the vectors and the corresponding windows. Coins of individual denominations corresponding to the windows are accepted if the vectors terminate within the window space. Dobbins also discloses the arrangement shown in Figure 8 in which the window space is shifted temporarily to avoid the device being taught using slugs to accept such slugs.

Dobbins does not disclose at least transforming the vectors as a function of at least one variable parameter that is based upon an acceptability criterion for the money item under test as recited by independent claim 1. Instead of discussing transformation of the vectors, Dobbins discloses shifting the position of the window. (See Figure 9 and Column 13 lines 15-61).

Applicant submits that Dobbins discloses shifting the window in response to a fraud attack using slugs. Dobbins uses a variable window configuration and involves no transformed money item signal as a function of the value of the money item signal and at least one variable parameter that is a function of an acceptability criterion for the money item under test as recited by independent claim 1.

In light of the discussion above, Applicant submits that the claimed method of developing for each of the money items under test, a transformed money item signal as a function of the value of the money item signal and at least one variable parameter that is a function of an acceptability criterion for the money item under test is not anticipated by Dobbins. Accordingly, for at least the reasons discussed above, Dobbins' implementation contrasts developing for each of the money items under test, a transformed money item signal as a function of the value of the money item signal and at least one variable parameter that is a function of an acceptability criterion for the money item under test method as recited in the claims.

Accordingly, Applicant submits that independent claim 1 is not anticipated by Dobbins for at least these reasons. Similarly, Applicant submits, that independent claim 14, which recites similar language, and dependent claims 2-13 and 15-26, which are directly or indirectly dependent from claims 1 or 14, are also patentably distinct from Dobbins for at least similar reasons. Therefore, Applicant requests withdrawal of this ground of rejections.

## Conclusion

Applicant submits that the pending claims are not anticipated by the cited reference for at least the reasons discussed above and that each of the pending claims is now in condition for allowance. If a telephone conference would facilitate prosecution of this application in any way, the Examiner is invited to contact the undersigned at the number provided.

Docket No. 17178-003

AUTHORIZATION

The Commissioner is hereby authorized to charge any additional fees which

may be required for consideration of this Amendment to Deposit Account No. 03-1240,

Order No. 17178-003.

In the event that an additional extension of time is required, or which may be

required in addition to that requested in a petition for an extension of time, the Commissioner

is requested to grant a petition for that extension of time which is required to make this

response timely and is hereby authorized to charge any fee for such an extension of time or

credit any overpayment for an extension of time to Deposit Account No. 03-1240, Order No.

17178-003.

Respectfully submitted,

CHADBOURNE & PARKE, L.L.P.

Dated: November 15, 2007

By: /Richard Martinelli/

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